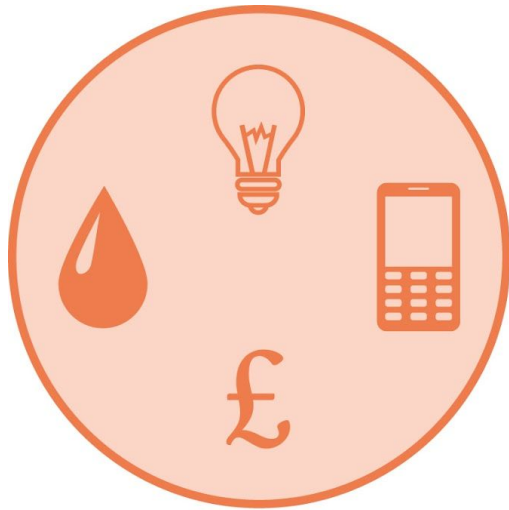


# Essential Services Access Network

Annual Report and Accounts 2019-20

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# ESAN

The Essential Services  
Access Network

ESAN is a Registered Charity number 1157865

## Chairman's Introduction



I am very pleased to be able to introduce the Essential Services Access Network's Annual Report and Accounts for 2019-20. This has been a year of significant policy developments and huge disruptions to everyone's lives because of the Covid-19 pandemic.

In terms of policy, this has been a very busy year, against a backdrop of political uncertainty for much of the year. After a long consultation process, Ofgem published its revised Consumer Vulnerability Strategy in October 2019, which is planned to be in place until 2025. It has also consulted on policy proposals for dealing with self-disconnection and self-rationing, which have led to a final package of proposals.

There have been significant developments in the communications industry. In June 2019 I attended a joint Ofcom/Which event on Fairness for Customers in telecommunications. This was a platform for the announcement that the major communications firms had signed up to Ofcom's Fairness for Customer commitments. It was also the occasion for the Minister to announce that there were plans for a new statutory consumer body in telecommunications, details of which are still awaited, although there has been a consultation on the issue. Less positively, the Consumer Forum for Communications, a consultative non statutory body, previously supported by Ofcom, held its last meeting on 20 June 2019. More positively, the Consumer Communications Panel for England has begun a series of virtual quarterly meetings, starting March 2020, with stakeholders which I have attended.

The water industry year was dominated by the outcome of the Periodic Review 2019 which was published in December 2019. Four companies have appealed their determinations to the Competition and Markets Authority which is planning to produce a final report in December 2020. The year also marked the retirement of Tony Smith, who had been the Chief Executive of CC Water, an ESAN member, since its inception in 2005. During his tenure Tony established CC Water as a strong advocate for customers in vulnerable circumstances and as a strong voice in transforming the way that water companies work.

The Financial Conduct Authority (FCA) has been consulting on guidance for firms on the treatment vulnerable customers since July 2019 and the results of that consultation have become apparent in July 2020. The FCA also introduced new rules for the overdraft market in October 2019.

Across sectors, significant work has been done in response to the CMA's investigation into the loyalty penalty by the regulators and the CMA and regular updates on this work

have been published. This remains a significant area of concern and one where our members will be watching for progress.

ESAN welcomes all the positive developments, but the ongoing Covid-19 crisis will undoubtedly throw up new challenges, as well as opportunities and we will be looking for ways to help our members communicate and develop their approaches in this new context.

For ESAN, this year has seen some firsts. Some were negative. In the light of the Covid-19 pandemic we decided to cancel our April 2020 physical meeting for the first time ever. Some were more positive: we held our first virtual meeting in July 2020 which had an excellent attendance and produced some very stimulating discussions. In light of this meeting, and the feedback received, we are thinking about how to do future meetings virtually and also what scope there is for additional digital ESAN activity.

There has also been significant turnover as regards ESAN's trustees. Kathie Nissan and Simon Sapper have stepped down and I would like to record my thanks to them for all the work that they did on behalf of ESAN and the support that they gave me. Simon has my particular gratitude as he stayed on an extra year while we were searching for someone to be a replacement Treasurer.

I am very pleased to be able to welcome four new trustees: Nazia Ali, Dr Elizabeth Blakelock, Rob Mayer and Andrea Richardson. Short biographies of them are provided below and I am delighted to have them on board, given the range and depth of their expertise, as well as their energy and enthusiasm.

I would like to thank all those members who hosted our physical meetings over 2019 and in January 2020 for their time and the use of their facilities. I would also like to thank all those people who did excellent keynote presentations and facilitated discussions in those meetings. Brief details of the meetings are listed below, and the presentations are available on the ESAN website.

ESAN continues to expand and I welcome new members to the network: Barrow Cadbury Trust (Fair by Design) and Christians Against Poverty and welcome back to National Energy Action.

I could not finish this Introduction without paying tribute to Rosalind Stevens, our Network Coordinator without whom ESAN could not function and who does an exemplary job in keeping the network going and ensuring we focus on all the necessary tasks.

**Prof Cosmo Graham**  
**September 2020**

## About ESAN

The Essential Services Access Network (ESAN) is an independent, membership funded organisation. ESAN is a Charitable Incorporated Organisation (CIO), registered with the Charity Commission (registered charity number 1157865).

### **ESAN Aims and Objectives**

ESAN's objective is to promote social inclusion for the public benefit by helping to prevent people who are in vulnerable circumstances from being socially excluded from essential services. It covers four of the sectors essential to modern life: water, energy, communications, and financial services.

ESAN is particularly concerned with issues such as access, affordability and vulnerability. In every case we want the consumer voice to be stronger and more influential. At its heart and as its name implies, ESAN is a unique network bringing together regulators and ombudsmen on the one hand and consumer and voluntary groups on the other.

Our quarterly meetings and our monthly newsletters facilitate useful connections and relevant information. From time to time we organise events which extend our work to adjacent sectors such as transport, legal services and health services.

Full membership of ESAN is open to consumer bodies, voluntary organisations and individuals with relevant expertise. ESAN's full members include: Age UK, Antelope Consulting, Barrow Cadbury Trust, Cedar Tree Advisory, Centre for Consumers and Essential Services (University of Leicester), Centre for Sustainable Energy, Christians Against Poverty, Citizens Advice, Consumer Council for Water, Consumer Council for Northern Ireland, Different Petal, Money Advice Trust, National Energy Action, StepChange, Toynbee Hall, Turn2Us, and Zoe McLeod.

ESAN also offers an affiliate membership (non-voting) to regulators and other supervisory bodies including: Banking Standards Board, Financial Conduct Authority, Financial Ombudsman Service, Ofcom, Ofgem, Ofwat, Ombudsman Services, and Phone-paid Services Authority. Newsletter only subscriptions are also available.

## ESAN Trustees

### **Prof Cosmo Graham, Chairman and Trustee**



Prof Cosmo Graham was appointed Chair of ESAN in April 2019. Cosmo is a Professor of Law at the Leicester Law School, University of Leicester and Director of the Consumer and Essential Services Unit. He is an expert in law and policy research into the regulation of essential services, with a focus on the representation of the consumer interest, consumers in vulnerable circumstances, and dispute resolution. Previous academic roles in law include Liverpool Polytechnic, University of Sheffield, University of Hull (H K Bevan Professor of Law) and a Nuffield Social Science Research Fellowship (1997-8). Prof

Graham was a Member of the European Commission Working Group on vulnerable consumers in the energy sector (2011-16), a Member of Ofwat's Future Regulation Advisory Panel (2011-12), Member of the Competition Commission (1999-2008) and is a Member of Remedies Standing Group, Competition Commission.

### **Matt Vaughan Wilson, Vice-Chairman & Trustee**



Matt Vaughan Wilson was elected as Vice Chairman and Trustee of ESAN in October 2015. Matthew is a Partnerships Manager at the Money Advice Trust. Prior to joining the Trust, Matt worked in teaching and research roles at the University of Birmingham, where he completed a PhD in History. Matt worked as a money adviser at National Debtline for several years, before moving into policy and business development roles for the Money Advice Trust. His key areas of interest are the energy and water

sectors and small businesses as consumers, particularly in relation to debt and financial difficulty.

### **Rob Mayer, Treasurer and Trustee**



Rob Mayer was appointed to the Board as Treasurer/Trustee in April 2020. Rob has extensive experience in the Energy sector, mainly leading on the management of consumer and business debt, including formulation of policy and heading large operations to help customers that experience difficulty in paying for essential services. Rob has worked for the UK's largest energy supplier and now provides interim and advisory support to businesses and consumer organisations to improve the quality of debt management.

## **Nazia Ali, Trustee**



Nazia Ali was appointed to the Board of Trustees in March 2020. Nazia has recently returned to the FCA following a secondment from the Financial Conduct Authority to the Consumer Council for Northern Ireland. Prior to joining The Consumer Council, Nazia worked in the FCA's Innovation department, held research and analysis roles and is currently working on Illegal Money Lending and Financial Services in Northern Ireland. Her key areas of interest are vulnerable consumers, mental health and financial difficulty.

## **Dr Elizabeth Blakelock, Trustee**



Dr Elizabeth Blakelock was appointed to the Board in April 2020. Dr Blakelock is Principal Policy Manager at Citizens Advice where her main focus is delivering rigorous insight on market outcomes for consumers through monitoring industry performance. This work ensures that Citizens Advice can deliver leading research and advocacy on domestic and micro-business consumer experience to ensure appropriate regulation and policy in energy markets. Prior to joining Citizens Advice, Elizabeth worked on affordability challenges in the UK energy markets in industry and as an academic researcher.

## **Andrea Richardson, ESAN Trustee**



Andrea Richardson works at Nesta, a UK foundation that collaborates with private, public and charitable partners globally to drive innovation for social good. In her role she works on innovation competitions that aim to enable innovation in regulated sectors and deliver learning to help regulators better serve their consumers. Her latest project has been supporting the Centre for Regulatory Innovation in the Canadian Treasury Board run experiments to help regulators respond to technological advances and bring applications of new technologies into the marketplace for the benefit of all Canadians.

## Rosalind Stevens, ESAN Network Coordinator



Rosalind Stevens was appointed as ESAN's Network Coordinator in January 2016. She has substantial senior policy experience in regulation and consumer affairs operating in UK, European and global markets. Rosalind writes ESAN's members' newsletter, manages the members quarterly meetings and special events, and takes care of the general management of ESAN and its website.

## Outgoing Trustees

### Simon Sapper, Treasurer and Trustee



Simon Sapper served as ESAN Treasurer from January 2018 to April 2020. Simon has 30 years' experience as a senior national trade union official in the postal, telecommunications, and facilities management sectors. He has also served on government and industry regulatory bodies associated with legal services, media, and local government, and was an accredited Technical Expert to the European Commission on workplace health and safety. His other areas of expertise include ethics, governance, and civil liberties. Simon has a Master's degree from the London School of Economics and is also a Low Pay Commissioner, a trustee of the Royal College of General Practitioners, Liberty, and Unions21, and founder of the [Makes You Think](#) consultancy.

### Kathie Nissan, Trustee



Kathie Nissan served as an ESAN Trustee from July 2016 to September 2019. Former Corporate Development Manager for Turn2us, her previous roles include Head of Business Development at legal advice charity LawWorks, Commercial Officer for Cycling UK, Contracts Manager for the Legal Services Commission and Manager of a debt advice centre for Citizens Advice.

## Review of the Year

Over the course of the year covered by this report (April 2019 to March 2020), ESAN held four network members meetings. Trustees would like to thank Ofwat, the Financial Ombudsman Service, Ofgem and Age UK for hosting these events. Members discussed and debated a wide range of important topics, facilitated through a series of excellent keynote presentations and roundtable discussions.

Circulation of the members' newsletter continues to increase, and be well received by subscribers. Our editor, Rosalind Stevens, welcomes submissions of news items about essential services likely to be of interest to members.

## Members meetings

### 9 April 2019, hosted by Ofwat

The meeting was hosted by Ofwat's Dan Walker-Nolan at Ofwat's offices in London's Canary Wharf. George Farrington and Laura Easterbrook's keynote presentation covered the initial findings of Ofwat's PR19 price review; including proposals for immediate action in relation to certain affordability and vulnerability issues.

Tom Gower from Citizens Advice (CA) gave a presentation explaining the context of CA's 'super complaint' to the Competition and Markets Authority (CMA) around 'loyalty penalties', the markets affected and consumer disengagement.

### 17 July 2019, hosted by Financial Ombudsman Service

Matthew Patrick of the Financial Ombudsman Service (FOS) hosted the meeting at FOS Exchange Tower offices in London Docklands. The keynote presentation by Matthew Patrick, Vaneesha Setal and Jim Hughes, explored the trend in complaints in relation to fraud, scams and vulnerability. Members were presented with and asked to consider a case study around a push payment scam.

Sian Foster, Director of Corporate Affairs, Money and Pensions Service joined members to outline MaPs activities around *Listening to consumers*, and the proposed strategy for the newly formed organisation. The national strategy covers all of the UK and actors with a role in financial well-being to inform their work with consumers.

### 9 October 2019, hosted by Ofgem

As is customary, each October ESAN combines its Annual General Meeting with the quarterly members' meeting. This year the AGM was hosted by Ofgem at their Canary Wharf offices.



In the keynote presentation, Lauren Kennedy and Dan Roberts outlined Ofgem's proposals for their Consumer Vulnerability Strategy up to 2025. The strategy has five main themes, five priorities for the first year and 14 desired outcomes. The overall policy objectives and desired consumer outcomes are to reduce the level of self disconnections, and the detriments they cause, including self rationing.

Jamie Grier, Turn2us Director of Income and External Affairs, then gave an overview of the Turn2Us forthcoming report. "Living Without". The examples shared highlighted the sheer size and scale of households living without at least one essential household item. The report outlines the main causes for this: living costs in relation to wages, social housing policies, cuts to local welfare provision and welfare benefit changes.

### **9 January 2020, hosted by Age UK**

Joel Lewis of Age UK hosted the meeting at Age UK's London offices in Tavistock Square. Joel gave an interactive keynote presentation on cognitive ageing and consumer markets, citing research studies, statistics and issues around vulnerability associated with cognitive impairment. Members then broke out into small groups to consider the following three issues: engaging the issue of cognitive ageing; how it might impact novices to essential services; and susceptibility to paying a loyalty penalty.

The next presentation was from Joanna Campbell, Assistant Director, National Infrastructure Commission. Joanna summarised the findings of the recent NIC publication, Strategic Investment and Public Confidence, published in October 2019. Whilst the focus of the study was on energy, water and telecoms, the issues raised are cross cutting.

## Governance

ESAN has in place a comprehensive but proportionate system of management and controls, which is kept under regular review.

At the Annual General Meeting on October 2020, the Chair explained ESAN's rules concerning the election of officers. He extended a vote of thanks to outgoing Trustee Kathie Nissan, for her hard work and invaluable contributions to the network, in particular her expertise in relation to data protection and helping to strengthen ESAN's governance arrangements.

There were three candidates willing to stand for reelection.

- Prof John Cosmo Graham (Chair)
- Matt Vaughan-Wilson (Vice Chair)
- Simon Sapper (Treasurer) (subject to the caveat that he would step down following the appointment of a new Treasurer, but no later than six months from the AGM)

The three candidates were proposed by Claire Milne, and seconded by Matthew Patrick. The members agreed the appointments unanimously. Claire Milne extended her particular thanks to Simon Sapper for his contribution as Treasurer for agreeing to extend his term of office.

The Trustees continued with their quarterly meetings over the course of the year as part of ESAN's governance framework. The focus this year was the search for and recruitment of a new Treasurer and Trustees. Trustees and members were delighted to welcome on board Rob Mayer, Dr Elizabeth Blakelock, Nazia Ali and most recently Andrea Richardson, who bring a wealth and breadth of experience to the Board from across the essential services sectors we represent.

# Financial Summary

## Summary of accounts

ESAN's financial position continues to be healthy. Its activities are funded by membership subscriptions and by some subscriptions to our regular newsletter. Subscription fees were held at last year's levels following agreement at the 2019 AGM.

We are grateful to members and affiliate members who continue to provide accommodation for ESAN's meetings during the year.

Below is a summary of our financial information for the year to 31st March 2020:

(Provisional figures)

The total income for the year was £19,515.76

Total operating expenditure was £12,048.07

Net income (income received in the year less expenses incurred in the year) was £7,467.69

Opening bank balance for the financial year was £14,595.13

Closing bank balance for the financial year was £20,690.38

## ESAN Income and expenditure 2019-20

ESAN INCOME AND EXPENDITURE 2019-20	TOTAL
<b><u>INCOME</u></b>	£
<b>Membership:</b>	
<i>Individual</i>	455.76
<i>Voluntary/other</i>	3,580.00
<i>Regulator and Statutory</i>	13,380.00
<b>Publication Subscriptions:</b>	
<i>Individual</i>	0
<i>Voluntary/other</i>	0
<i>Corporate</i>	1,740.00
<b>Other</b>	360.00
<b>Donations</b>	0
<b>Bank interest</b>	0
<b><u>TOTAL INCOME</u></b>	<b>19,515.76</b>
<b><u>EXPENDITURE</u></b>	£
<i>Fees to network administrator</i>	11,648.20
<i>Web maintenance</i>	291.50
<i>Office costs</i>	108.37
<b><u>TOTAL EXPENDITURE</u></b>	<b>12,048.07</b>
<b><u>SURPLUS (DEFICIT)</u></b>	<b>7,467.69</b>
<b>Bank balance</b>	
<i>Opening at 01 Apr 2019</i>	<b>£14,595.13</b>
<i>Closing at 31 Mar 2020</i>	<b>£20,690.38</b>